



State of Utah School & Institutional Trust Lands Administration

Gary R. Herbert Governor

Greg Bell

675 East 500 South, Suite 500 Salt Lake City, UT 84102-2818 801-538-5100 801-355-0922 (Fax) www.trustlands.com

Kevin S. Carter Director

Lieutenant Governor

APR 0 5 2011

Div. of Oil, Gas & Mining

April 4, 2011

Darrell G. Boepple 3802 – 47th Street Lubbock, Texas 79413

Dear Mr. Boepple:

On March 23, 2011, an Environmental Site Inspection was completed by Sonja Wallace, Environmental Compliance Manager, Utah School and Institutional Trust Land Administration (SITLA) of property leased to you and located at Township 18 South, Range 25 East, Section 36, SLB&M. A copy of the report is attached.

The environmental inspection identified several issues that need to be addressed by the Lessee. In addition, the Utah Division of Oil, Gas and Mining (DOGM) has issued a Citation for Non-Compliance on April 4, 2011 for improper storage of hazardous materials at the site.

SITLA requests that the Lessee comply with the requirements of the DOGM citation within 30 days, and also address each of the lease issues outlined in the attached SITLA environmental inspection report. This should be completed within 60 days of receipt of this letter.

Please provide to Will Stokes, SITLAs Lease Manager for the property, a plan for how you intend to remedy the lease deficiencies. This includes removal of all trash, non working equipment and non lease related humic shale mining equipment from the site.

If you have any questions on need clarification about this request, please contact Will Stokes at (801)538-5153, or Sonja Wallace at (801)538-5108. Your immediate attention to this manner is appreciated.

Sincerely

Sonja Wallace

Environmental Compliance Manager



ENCLOSURE

CC: William Stokes, Utah SITLA Tom Munson, Utah DOGM